

HG

950

.G8H3

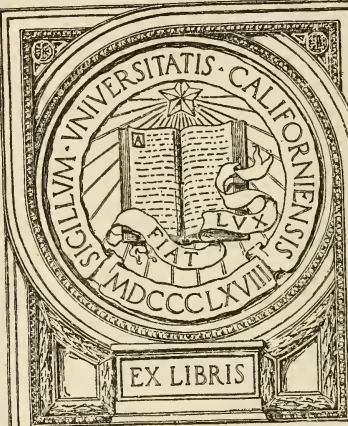
UC-NRLF



B 3 136 438

YB 18182

EXCHANGE



CHANGE
4 1915

LONDON SCHOOL OF ECONOMICS AND
POLITICAL SCIENCE

AN EXAMPLE OF
COMMUNAL
CURRENCY

By
J. THEODORE HARRIS, B.A.

With a Preface by
SIDNEY WEBB, LL.B.

1/- NET

LONDON
P. S. KING & SON
ORCHARD HOUSE, WESTMINSTER
1911

PEOPLE'S BANKS

A RECORD OF SOCIAL AND ECONOMIC SUCCESS

By H. W. WOLFF

Third Edition, Newly Revised and Enlarged

Demy 8vo, Cloth, 600 pp. 6s. net

CONTENTS—Introduction, The General Idea, The Two Problems, The Two Aspects of the Question, Credit to Agriculture, The "Credit Associations" of Schulze-Delitzsch, Raiffeisen Village Banks, Adaptations, "Assisted" Co-operative Credit, Co-operative Credit in Austria and Hungary, The "Banche Popolari" Italy, The "Casse Rurali" of Italy, Co-operative Credit in Belgium, Co-operative Credit in Switzerland, Co-operative Credit in France, Offshoots and Congeners, Co-operative Credit in India, Conclusion.

"We may confidently refer those who desire information on the point to the book with which Mr. Wolff has provided us. It will be a most useful thing if it is widely read, and the lessons which it contains are put in practice."—*Athenaeum*.

"The book is the most systematic and intelligent account of these institutions which has been published."—*Banker's Magazine (New York)*.

"It is the most complete book on the subject."—*Mr. G. N. Pierson, late Dutch Prime Minister and Minister of Finance*.

"There was manifest need of just such a book. . . . A mine of valuable information."—*Review of Reviews*.

"This is an excellent book in every way, and thoroughly deserves the careful attention of all who are concerned for the welfare of the people."—*Economic Review*.

**LONDON: P. S. KING & SON
ORCHARD HOUSE, WESTMINSTER**

STUDIES IN ECONOMICS AND
POLITICAL SCIENCE

Edited by the Hon. W. PEMBER REEVES,
Director of the London School of Economics

No. 21 in the Series of Monographs by Writers connected
with the London School of Economics and Political Science

AN EXAMPLE OF
COMMUNAL CURRENCY



Digitized by the Internet Archive
in 2008 with funding from
Microsoft Corporation

AN EXAMPLE OF
COMMUNAL
CURRENCY :

THE FACTS ABOUT THE
GUERNSEY MARKET HOUSE

COMPILED FROM ORIGINAL DOCUMENTS
BY

J. THEODORE HARRIS, B.A.

WITH A PREFACE BY
SIDNEY WEBB, LL.B.

LONDON
P. S. KING & SON
ORCHARD HOUSE, WESTMINSTER

1911

CONTENTS

	PAGE
PREFACE	vii
INTRODUCTION	i
CHAP.	
I. CONSTITUTION OF GUERNSEY	4
II. THE SECURITY OF THE NOTES.	6
III. MUNICIPAL ENTERPRISE—THE ISSUE OF THE NOTES	9
IV. THE UTILITY OF THE NOTES	20
V. FIRST RUMBLINGS OF OPPOSITION	25
VI. THE REPLY OF THE STATES	30
VII. THE CRISIS.	45
VIII. THE END	55
CONCLUSION	59
APPENDIX	61

PREFACE

THOSE who during the past thirty or forty years have frequented working men's clubs or other centres of discussion in which, here and there, an Owenite survivor or a Chartist veteran was to be found, will often have heard of the Guernsey Market House. Here, it would be explained, was a building provided by the Guernsey community for its own uses, without borrowing, without any toll of interest, and, indeed, without cost. To many a humble disputant the Guernsey Market House seemed, in some mysterious way, to have been exempt from that servitude to previously accumulated capital in which the whole creation groaneth and travaileth. By the simple expedient of paying for the work in Government notes—issued to the purveyors of material, the master-workmen and the operatives, accepted as currency throughout the island, and eventually redeemed out of the annual market revenues—all tribute to the capitalist was avoided. In face of this successful experiment, the fact that we, in England, continued to raise loans and subject ourselves to “drag at each remove a lengthening chain” of interest on public debt, often seemed so perplexingly foolish as to be inexplicable,

except as the outcome of some deep-laid plot of "the money power."

When first I heard of this Guernsey Market House, as in some mysterious way exempted from the common lot, I was curious to enquire what transaction had, in fact, taken place in an island which was, after all, not so far removed in space or time from the Lombard Street that I knew. In all the writings of the economists (for which my estimate was at that time, as indeed it is now, such as I could not easily put into appropriate words), I found no mention of this Phœnix among market-houses. I fear that, too hastily, I dismissed the story as mythical.

Now Mr. J. Theodore Harris—having, I suspect, a warmer feeling for the incident than he has allowed to appear in these scientific pages—has done what perhaps I or some other economic student of the eighties or nineties ought to have done, namely, gone to Guernsey to dig up, out of the official records, the incident as it actually occurred. What is interesting is that he has found that the myth of the veteran Owenite or Chartist is, in all essentials, confirmed by the documents. The story is true. The Guernsey Market House was built without a loan and without the payment of interest.

It does not follow, however, that it was

any more built without the aid of capital, than was St. Paul's Cathedral or the Manchester Ship Canal. Mr. Harris, contenting himself with the austere exact record drawn from the documents, does not indulge in any speculative hypothesis as to who provided the capital, or who bore the burden that would otherwise have been interest. Let me use the fuller privilege of the preface-writer, and supply some hypothetical elucidations.

What the Guernsey community did was that which nearly every community has done at one time or another, namely, issue paper money. The part of the story that we do not know is (*a*) what thereupon happened to the aggregate amount of "currency" of all kinds then in circulation within the island, in relation to the work which that currency had to do; (*b*) what happened to the prices of commodities.

It may well have been that the issue of paper money was promptly followed by some shipments of metallic money to England or France—perhaps even in payment for imported materials for the market house—so that the aggregate amount of "currency" in the island was not in fact increased. Accordingly, no change of prices may have taken place. In such a case, Guernsey would merely have substituted paper for gold in its currency. The gold-capital

heretofore in use as currency, and there, of course, yielding no capitalist any toll of interest, would, in effect, have been borrowed to expend upon the building of the Market House. And, as paper money probably served the purposes of the island every bit as well as gold, nobody was any the worse. By giving up the needless extravagance of using gold coins as counters, and by taking to paper counters instead, Guernsey really got its Market House without cost. The same resource is open to any community already possessing a gold currency, and becoming civilised and self-restrained and sensible enough to arrange to do without gold counters in its internal trade. But Guernsey could not have gone on equipping itself with endless municipal buildings as out of a bottomless purse. The resource is a limited one. This is a trick which can only be played once. When the gold has once been withdrawn from the currency, and diverted to another use, there is no more left with which to repeat the apparent miracle.

On the other hand, there may easily have been no special shipments of metallic money from the island, and the aggregate "currency" may have been increased, in relation to the work that it had to do, by the amount of the note issue. In that case, the economist would, for reasons into which I have

no space to go on the present occasion, expect to see a gradual and silent rise of prices. Such a rise would seem, to the ordinary Guernsey housekeeper and shopkeeper, as inevitable, and at the same time as annoying as any other of those mysterious increases in the cost of eggs and meat that Anthony Trollope described with such uneconomic charm in *Why Frau Frohmann raised her prices*—a work which I do not find prescribed, as it might well be, for undergraduate reading.

There is even a third hypothesis, to which Mr. Harris has directed my attention. There may have been, before the note issue, an actual dearth of currency, or a growing disproportion between the amount of the currency and the work that it had to do. Mr. Harris infers from his reading that such a stringency had been actually experienced in Guernsey, and that it was for this reason that successive attempts were made to prevent foreign coins from being gradually withdrawn from the island. Such a stringency, the economist would infer, would produce a progressive fall of prices, leading, by the silent operations of external trade, to a gradual readjustment of the amount of currency in circulation, by influx of gold from outside, until a new equilibrium had been reached. If the Guernsey Government's note issue happened to be made at

such a moment, it may well have taken the place of the hypothetical inflow of gold, so far as the island currency was concerned. It may even have averted a fall in prices that would otherwise have taken place, the economic effect on the consumer's pockets being in that case much the same as if an actual rise had occurred. But the Guernsey Government, on this hypothesis, would, by substituting paper for gold, have gained for the community the equivalent of the cost of the addition to the gold currency which expanding population and trade were making necessary; and this gain was expended in building the Market House.

Unfortunately we do not know how prices behaved to the Guernsey housekeeper between 1815 and 1837. Perhaps another student will look this up. What is interesting to us in this argument is the fact that, *if prices generally did rise*, in consequence of the issue of the paper money, even by only one half-penny in the shilling—if eggs, for instance, sold twenty-four for a shilling, instead of twenty-five—this represented a burden laid on the Guernsey people as consumers, exactly analogous to a tax (say an octroi duty) of four per cent. on all their purchases. On this hypothesis, which I carefully abstain from presenting as anything but hypothetical, because we are unable to verify it by comparison with the facts, the economist

would say that this burden or tax was what they imposed on themselves, and notably upon the poor, by increasing the currency, instead of borrowing the capital from elsewhere. Instead of paying interest on a loan (to be levied, perhaps, as an income tax on incomes over a certain minimum) they unwittingly chose to pay more for their bread and butter. The seriousness of this possible result lies in the definitely ascertained fact that salaries and wages rise more slowly, and usually to a smaller extent, than the prices of commodities.

Now, which of these speculative explanations is the true one does not greatly matter to-day when all the consumers, rich and poor, are dead and gone. What does concern us is that we should not misconstrue the Guernsey example. We already use paper money in this country to a small extent. We could certainly with economic advantage save a great part of the cost (three or four millions sterling a year) that we now pay for the luxury of having so many gold sovereigns wandering about in our pockets. We may one day find the uncounted reserve of capital that in our gold currency we already possess, virtually in common ownership, come in very usefully on an emergency (which is, perhaps, what happened at Guernsey). But we must beware of thinking that the issue of paper

money offers some magical way of getting things without having to use capital, or we may find ourselves one day, to the unmeasured hardship of the poor among us, stupidly burdening ourselves as consumers with higher prices and increased cost of living all round.

There are, of course, other reasons in favour (a) of paper money being issued by the Government, instead of this valuable and responsible prerogative being abandoned to individual bankers or joint stock companies, to the great financial loss of the community as a whole; and (b) of the whole business of banking—which means the organising of credit and the custody of savings—being conducted by the Government itself, in order that the power which banking gives may be exercised exclusively under public control, and for corporate instead of for individual ends, and in order that the profit which banking yields may accrue to the benefit of the community as a whole, instead of to particular capitalists. But that is another story. The Guernsey Government stopped short at the issue of paper money—which is not banking—and even gave up this right at the bidding of private banking companies.

SIDNEY WEBB.

41, Grosvenor Road, Westminster.

December, 1910.

AN EXAMPLE OF COMMUNAL CURRENCY

INTRODUCTION

THERE are many persons who have heard from one source or another of the way in which the States of Guernsey built their Market House by means of non-interest-bearing notes. Some of these—enthusiasts for the reform of the currency—can dilate for hours on the wisdom of the financial policy of Daniel de Lisle Brock, can tell how, at the opening of the Market he “sprinkled the packages (of redeemed notes) with perfume, and while the band was playing a dirge he laid them on the fire, where they were quickly consumed,” and can even quote from his famous speech on that occasion.

A few years ago some members of the Co-operative Brotherhood Trust, which is a Society that has among its objects a desire to revive the principles of Robert Owen’s Labour Exchange, thought it worth while to make enquiries as to the Guernsey scheme. They realised that an ounce of fact was worth a ton of theory. But what were the facts? Were these notes circu-

lated in the island as a medium of exchange? How were they redeemed? Could a citizen demand gold for them? When the above mentioned enthusiasts were tackled with these practical questions, there was suddenly noticed a certain hesitancy; and when asked point blank what was the year in which this famous Market House was built, no one could say.

Enquiries were then made from inhabitants of the island itself. The information gathered was vague and not much to the point. With a few notable exceptions, the average Guernseyman seems to know or care little of the financial policy of the island at the beginning of the nineteenth century. Even from those interested nothing very definite was to be learned. The enquirers at last came near to doubting whether the non-interest-bearing notes had ever existed except in the imagination of the enthusiasts. Only first-hand enquiry on the spot would suffice.

One Guernseyman, a teacher, kindly encouraged the writer to visit the island himself, promising him introductions and access to all the official documents and newspapers of the time. Through the courtesy of the Greffier and the Librarian of the Guille-Allés Library every facility was granted to the writer and his wife to carry out their research. The politeness and kindness of these officials and other inhabitants of Guernsey are hereby most cordially acknowledged.

In the following pages it is the writer's desire to place the facts before the public as he has gleaned them from the official records of the States and the newspapers of the time. He feels tempted to discuss the *pros* and *cons* of the system adopted by the States of Guernsey for over twenty years; but this little treatise will probably be of most use if it is confined to a mere narration of facts. Incidentally, however, it will be seen that some of the queries which led to the research have been answered. From the nature of the case this narration will consist largely of quotations. It must inevitably fail to convey to the reader the thrilling interest aroused as the story, exceeding all the romance of the enthusiasts, led its slow but fascinating course through many volumes, and the quaint old French documents gave up their secrets in the modern well-equipped Record Office.

CHAPTER I

CONSTITUTION OF GUERNSEY.

GUERNSEY is the second in size of the four Channel Isles, Jersey, Guernsey, Alderney and Sark, which one used to repeat with such gusto in one's schoolboy days. The Channel Isles are the last remnant of our French possessions. Or rather, as the Islanders might claim—and as it is reported some do—England belongs by right of conquest to the Channel Isles. However that may be, for all practical purposes, the government of Guernsey is autonomous—and very jealously does the Guernseyman guard this autonomy.

It has its own Parliament, “The States” (*Les États*), consisting to-day of 49 Members. At the time of which we write there were 32 Members, as follows :—

The Bailiff, who, as at the present time, acted as President.

The Procureur du Roi, corresponding to our Attorney-General.

12 Jurats or Magistrates, appointed for life by the “States of Election.”

8 Rectors.

10 Connétables or Parishioners.

The Rectors as spiritual leaders and the Connétables as civil functionaries represented the ten parishes of the island, and though the latter

were elected to office they were always from the leading families, which formed an extremely close oligarchy. Bailiff, Jurats and Rectors still sit in this undifferentiated Parliament, to which has been added a slightly more democratic element however, nine Deputies being elected by the Ratepayers of the whole Island.

It was, and still is, the Bailiff's duty to summon this "States of Deliberation," formerly at his own discretion, now at regular intervals. He does this by means of issuing a *Billet d'Etat*, in which he comments on the business to come before the States and in which he formulates certain resolutions. On these resolutions the States only vote *for* or *against*. This *Billet d'Etat* is in French, still the official language—the only one used in the deliberations in former days.

The whole takes us back in thought to Norman or early English times. Probably even the Norman patois of the modern rural deputies is the speech of the present time nearest to that in which our ancestors transacted their business.

This legislative body represents the King's Council, in the same way that the supreme judicial body, still bearing the name of La Cour Royale, represents the King's Court.

The decisions of the States are subject to the approval of the Privy Council, to whom there is a right of appeal.

CHAPTER II

THE SECURITY OF THE NOTES

GUERNSEY, like other places, fell on evil days early in the nineteenth century, the period of history with which we have to deal ; and the islanders suffered from the burden of a heavy debt and from the depression and want of employment which followed the close of the Napoleonic wars.

Its condition at this time is graphically described in the following extracts taken from a document presented by the States to the Privy Council in 1829.

“ In this Island, eminently favoured by nature, antecedently to the new roads first projected by Sir John Doyle, Bart., nothing had been done by art or science towards the least improvement ; nothing for the display or enjoyment of local beauties and advantages ; not a road, not even an approach to Town, where a horse and cart could pass abreast ; the deep roads only four feet six inches wide, with a footway of two to three feet, from which nothing but the steep banks on each side could be seen, appeared solely calculated for drains to the waters, which running over

them rendered them every year deeper and narrower. Not a vehicle, hardly a horse kept for hire; no four-wheeled carriage existed of any kind, and the traveller landing in a town of lofty houses, confined and miserably paved streets, from which he could only penetrate into the country by worse roads, left the island in haste and under the most unfavourable impressions.

“ In 1813 the sea, which had in former times swallowed up large tracts, threatened, from the defective state of its banks, to overflow a great extent of land. The sum required to avert the danger was estimated at more than £10,000, which the adjoining parishes subject to this charge were not in a condition to raise. The state of the finance was not more consolatory with a debt of £19,137, and an annual charge for interest and ordinary expenses of £2,390, the revenue of £3,000 left only £600 for unforeseen expenses and improvements.

“ Thus at the peace, this Island found itself with little or no trade; little or no disposable revenue, no attraction for visitors, no inducement for the affluent to continue their abode, and no prospect of employment for the poor.”

After considering various means of raising a revenue, the States asked the Privy Council for permission to levy a duty on spirituous liquors. Notwithstanding some opposition by the inhabitants, permission was granted by an Order in Council of the 23rd July, 1814, to raise 1s. per gallon on spirituous liquors consumed in the

Island. This was granted for a period of five years.

A second Order in Council, dated 19th June, 1819, renewed the duty for ten years. Again there was opposition from a section of the inhabitants. This made itself felt by the insertion in the Order of the following words :—" That One Thousand Pounds per annum of the produce of the said duty be applied solely to the liquidation of the present debt, together with such surplus as shall remain out of the produce of the tax in any year after defraying the expenses of roads and embankments and unforeseen contingencies. And that the States of the said Island do not exceed in any case the amount of their annual income without the consent previously obtained of His Royal Highness in Council. And the said States are hereby directed to return annually to the Privy Council an account of the produce and application of the said Tax."

In 1825 the Lieutenant-Governor, Sir John Colborne, desired to erect a new College and to carry on other important works. But these plans could not be accomplished without the assurance of the renewal of the duty. A third Order in Council of 30th September, 1825, gave this permission for a period of fifteen years, that is to say, from 1829 to 1844. On this occasion there was no opposition from any of the inhabitants.

As will be seen in the next chapter, it was this duty on spirituous liquors that formed the security on which the notes were issued.

CHAPTER III

MUNICIPAL ENTERPRISE—THE ISSUE OF NOTES

“Guernsey should make up only one great family whose interests are common. Only by union and concord can she enjoy firm and lasting prosperity.”

ALTHOUGH, as we shall see, the first notes that were issued were not for the Market, it is interesting to find that there is some foundation for the tradition identifying them with it. The plan was first suggested in connection with a scheme for the enlarging of the Market.

This was a much needed improvement. “Humanity cries out, every Saturday,” reports a States Committee, “against the crush, which it is difficult to get out of ; and every day of the week against the lack of shelter for the people who, often arriving wet or heated, remain exposed for whole hours to wind and rain, to the severity of cold and to the heat of the sun.”

A Committee, appointed 12th April, 1815, to consider the question, having brought in a scheme for enlarging the Market, recommended the issue of State Notes. The Bailiff submitted the following resolution for the consideration of

the States at their meeting on 29th March, 1816 :—" Whether in order to meet the expenditure it would not be desirable to issue State Notes of One Pound each (*Billets des Etats d'une Livre Sterling*) up to £6,000, the States undertaking not to issue any, under any pretext whatever, beyond the said sum before having previously cancelled the said £6,000."

Notwithstanding the Committee's opinion that the enlargement of the Market could not be recommended without this issue, and the precautions suggested for the issue of the Notes, the States rejected the proposition.

However, the promoters of the idea appear to have been nothing daunted, and to have met with success on their second attempt. For we find that on the 17th October of the same year the Finance Committee reported that £5,000 was wanted for roads, and a monument to the late Governor, while only £1,000 was in hand. They recommended that the remaining £4,000 should be raised by State Notes of £1, 1,500 of which should be payable on 15th April, 1817, or any Saturday after by the Receiver of the Duty, 1,250 on 15th October, 1817, and 1,250 on 15th April, 1818.

" In this manner, without increasing the debt of the States, we can easily succeed in finishing the works undertaken, leaving moreover in the coffers sufficient money for the other needs of the States."

The States agreed to this and appointed a Committee of three (Nicolas Maingy, Senior, Jean Lukis and Daniel de Lisle), who were exclusively charged with the duty of issuing the Notes, taking all the precautions they thought necessary. They were to pay them out on the order of M. le Supérieur (Jean Guille), and to receive them back from the Receiver of the Duty when paid in, in order to cancel them.

These Notes seem to have served their purpose ; for in the record of the decisions of the States on the 18th June, 1818, is found the following entry :—" The said States unanimously authorise the issue of new Notes up to £1,250, to be put at the disposal of Jean Guille, Esq., Jurat, for the needs of the State ; and they ask the said gentlemen, Daniel de Lisle, Nicolas Maingy and Jean Lukis, kindly to help in the matter. Which Notes shall be payable at a fixed time to be determined by the States' Committee named for this purpose at the time of the last issue of Notes."

The need for enlarging and covering the Market was meanwhile being more and more pressed, the site and certain buildings having been purchased on 10th April, 1817, for £5,000, which was borrowed at $4\frac{1}{2}$ per cent.*

* This purchase was in itself an interesting piece of municipal history. " By an Order in Council," says Jacob in his *Annals of British Norman Isles*, p. 153, " the Meat Market Company were to be allowed by the

A Committee reported on this subject to the meeting of the States on 6th October, 1819. In their recommendation they proposed "the issue of Notes of £1 sterling, payable at different times on the receipt of the part of the Duty left at the disposal of the States." Notwithstanding the pathetic appeal already recorded, the proposal of the Committee to enlarge and to cover the Market was lost by a majority of one.

The advocates for improving the Market, however, persevered, and presented to the States Meeting of 12th May, 1820, five plans. The plan of John Savery Brock at a cost of £5,500 was agreed to by a majority of 19 to 10.

The following quotation from the Committee's report shows the benefits which they considered would arise from their scheme for raising the £5,500 required.

" The means of meeting this would			
be to apply to it the sums now in liti-			
gation with the town
			£1,000
Twenty-shilling Notes put at the dis-			
posal of the Committee
			4,500
			<hr/>
			£5,500

States, certain duties on all the cattle killed, so long as they remained proprietors of the Market; but the States were allowed at any future time to take the same into their own possession on the payment of what the proprietors had advanced. The States did this on the 10th April, 1817, at an expense of £5,000." (See p. 16.)

But provision must be made for the repayment of the Notes issued, and the means recommended by your Committee are as follows—

“ The 36 shops, built for butchers according to the plan recommended, would produce at £5 sterling per annum	£180
From this must be deducted £20 for hiring the house at the corner and £10 for repairs	30
	<hr/>
	£150

The States should grant for 10 years after the first year	300
	<hr/>

This would give an income of	£450
-------------------------------------	------

This sum would be spent each year in paying off and cancelling as many Notes.

“ Thus, at the end of ten years, all the Notes would be cancelled and the States would be in possession of an income of £150 per annum, which would be a return for the £3,000 spent by them.

“ Looked at from all sides the scheme shows nothing but the greatest advantage for the public and for the States. It should please those who have at heart the diminution of the debt, since the States in addition to the £1,000 set aside for this purpose, take a further £300 out of their treasury in order to increase their income (*en*

prenant 300l. de plus sur leurs épargnes pour accroître leur revenu)."

Thus it appears that the money for building the Meat Market, still standing, was raised without a loan, the States paying off the Notes at the rate of £450 a year as the duty on spirits and the rents came in. The Market is described in Jacob's *Annals of the British Norman Isles*, Part I., published in 1830, as a handsome new building, "one of the most convenient, both for the buyers and sellers, that can be found in any part of the world." "For the mode of raising the funds for its erection and support (well worth the attention of all corporate bodies)" we are referred to an Appendix IV. which was to appear at the end of Part II., to be published in December, 1831.*

Diligent search in contemporary records showed no trace of the elaborate ceremony described in the tradition current among enthusiasts, though the *Mercury* of the 5th October, 1822, announced in its advertisement column that the opening would take place on Saturday, 12th October, 1822.

The following week the *Mercury* chronicles the handing over by the Committee of the keys of the new Market to the butchers. "A large crowd

* We have been unsuccessful in our efforts to obtain Part II. either in Guernsey or in London, and wonder whether it was ever published.

gathered in the square, of whom only a few succeeded in entering the enclosure. A speech was made by one of the Committee, to which one of the butchers made a reply. The band of the East Regiment took part and the church bells rang till five in the evening."

The next issue of Notes seems to have been to pay off the floating debt. On 14th June, 1820, the States authorised the issue of 4,000 £1 Notes for this purpose. In recommending this course the Finance Committee makes some interesting reflections. "Respecting the floating debt, which consists of sums payable at times more or less distant, it would be easy to discharge it by £1 Notes put into circulation as need requires. The extinction of the whole of the floating debt could thus be brought about without the necessity of new loans. If loans should be raised it would be necessary to provide for payment both of the principal and of the interest. If, on the contrary, recourse is had to £1 Notes, the interest alone which would have been paid will suffice."

On 23rd June, 1821, the States authorise the issue of 580 £1 Notes to buy a house whose site is wanted for the new Market.

On 15th September of the same year the issue is authorised of 4,500 £1 Notes to diminish the interest-bearing debt of the States. In recommending this, the Finance Committee remarks:—"The States could increase the number [of Notes in circulation] without danger up to 10,000 in

payment of the debt, and the Committee recommends this course as most advantageous to the States' finance, as well as to the public, who, far from making the slightest difficulty in taking them, look for them with eagerness."

On 30th June, 1824, on the united recommendation of the Market and Finance Committees, 5,000 £1 Notes are issued to pay off the £5,000 originally paid for the Market in 1817 (see p. 11). "By this means the interest of £200 (*sic*) a year will be saved and applied moreover every year to withdraw from circulation £1 Notes issued for the construction of the Market."

On 29th March, 1826, a further issue is authorised for the purpose of Elizabeth College and Parochial Schools, provided that the total number of Notes in circulation shall not exceed £20,000. In summoning the States on this occasion, the Bailiff, Daniel de Lisle Brock,* expresses the opinion that paper money is of great use to the States. There is no inconvenience because the Notes are issued with great care.

This statement as to great care is borne out by the words of the resolution passed 12th May, 1826, authorising the issue of £5 Notes, not exceeding £8,000 worth, voted for the Isle of Sark and other purposes. After asking Nicolas Maingy, Jean Lukis and Daniel de Lisle "to sign the said Notes in the name and under the guaran-

* Daniel de Lisle Brock was Bailiff from 24th May, 1821, to 12th January, 1843.

tee of the States," it goes on to say, "and in default of one or other of these gentlemen through absence or illness, the States authorise the remainder of the three, the Finance Committee and M. le Supérieur to choose conjointly another reputable person for the signature of the said Notes. Which said Finance Committee Supervisor and those authorised to sign are charged and requested to watch over and be present at (*veiller et assister à*) the destruction of the said Notes at the times fixed for their repayment."

Extra precautions seem to have been taken 28th June, 1826, when another issue, not exceeding £2,000 worth of £5 Notes was authorised. For we find that "The States appoint Josias le Marchant, Pierre le Cocq, Jurats, and the Rev. Thomas Grut, a Special Committee, whose duty it is to see to the liquidation of all the anticipations at the times fixed by the States, and where these anticipations consist in Notes of one or five pounds to see to the destruction of the very Notes or of earlier Notes to the same amount. Which Committee is commanded to make a report to the States at least once each year certifying the liquidation and destruction of the said anticipations and of the said Notes."

Further care is shown by the fact that on 26th March, 1828, the States appointed the Finance Committee "to replace the used and worn-out Notes by new Notes, payable at the

same time as the destroyed notes would have been." Testimony is borne by this wear and tear to the extent to which the Notes circulated.

Plans for the improvements in Rue de la Fontaine, a street adjoining the Markets, being adopted on 15th November, 1827, an issue of £1 Notes up to £11,000 was authorised to be cancelled by the proceeds of rents.

In 1828 and 1829 issues of Notes were authorised for various purposes, including £8,500 for the College and £11,000 in connection with the Rue de la Fontaine scheme.

At one of the sittings of the States in the year 1829, William Collings, a member of the Finance Committee, stated that there were 48,183 Notes in circulation.

On 18th March, 1834, £1,000 was voted for cholera precautions, to be raised either at 3 per cent. interest or in £1 Notes. The latter course seems to have been adopted.

From the foregoing it will be noticed that during the 20 years over £80,000 worth of Notes were authorised by the States to be issued. These were mostly of the value of £1, though some £5 Notes were authorised.

In 1837 there were still in circulation 55,000, which in that year were reduced, as will be seen in a subsequent chapter, by 15,000.

It may be asked whether there is any evidence that the Notes were destroyed as directed. From various sources we found records of at least

18,000 being destroyed. For instance, in the *Gazette* of 3rd March, 1827, there is the following :—

“ Market Accounts for 1826.

Notes to Bearer of £1 destroyed.

22 March, 1826 £400

7 November, 1826 £420

1 March, 1827 £122

£942

Total of Notes issued for the Market, £11,296

„ „ destroyed „ „ 3,626

Leaving in circulation £7,670.”

CHAPTER IV

THE UTILITY OF THE NOTES

THERE is abundant evidence throughout the records that the system was appreciated.

Jacob's *Annals* (1830), in a chapter on Currency, mentions the Notes incidentally. "All these, with the one pound Guernsey States' Notes, are in much request, being very commodious for the internal affairs of the island."

The Bailiff, Daniel de Lisle Brock, who seems undoubtedly to have been the inspiring genius of the scheme, says in his *Billet d'Etat*, 15th November, 1827—

"An individual with an income of £9,000, who spends only half of it wishes to build a house at a cost of £13,000. He therefore makes an arrangement with his timber merchant, his mason, his carpenter and others to pay them out of his savings, so that they shall receive a part each year for five years. Can it be said that he is contracting debts? Will he not have at the end of the five years both his house and his original income of £9,000?

"The States are precisely in the same position as regards the £13,000 which they have to

pay out of their income during the five years included in the said table. This sum will be paid in instalments of £2,600 per annum, with as much ease as were much heavier engagements in 1826 and 1827.

“The time has passed when the public could be frightened by exaggerated reports about the debt; most complete publicity keeps everyone acquainted with the real state of affairs; my greatest wish is that nothing should be hidden.”

Frequent references to the saving of interest are to be found, and to the fact that improvements in the island could not have been carried out but for this system.

Wm. Collings, speaking at the States Meeting, 26th March, 1828, on a financial proposition, gives it as his opinion that interest now paid might be spared if the States issued more Notes. The Rev. T. Brock at the same meeting supports the contention, as Notes can be issued without inconvenience.

In the *Billet d'Etat* for 21st September, 1836, in a long discourse on the circulation, Daniel de Lisle Brock says, “To bring about the improvements, which are the admiration of visitors and which contribute so much to the joy, the health and the well-being of the inhabitants, the States have been obliged to issue Notes amounting to £55,000. If it had been necessary, and if it were still necessary to pay interest on this sum, it would be so much taken from the fund ear-

marked to pay for the improvements made and to carry out new ones. This fund belongs especially to the industrious poor who execute the works and generally to the whole island which enjoys them. It ought to be sacred to all."

Mr. John Hubert, in the debate at this meeting, is reported by the *Comet* to have referred to the fact that "the roads and other works had been constructed for the public good," and to have said that "without issuing Notes for the payment of those works it would have been impossible to have executed them."

Mr. H. O. Carré, in the same debate, said, "The States, by having Notes to the amount of £55,000 in circulation, effected a saving of £1,600 per annum. Here, then, was a revenue of £1,600 raised without causing a farthing's expense to any individual of the public generally, for not one could urge that he suffered a farthing's loss by it. It was therefore the interest of every one to support, not the credit, but the interest of the States. Those who wished to traffic on the public property were in fact laying a tax on that public, for they were diminishing, by so much as they forced States' Notes out of circulation, the public revenue, for if the States, in consequence of a diminished revenue by the effect of Bank paper, have to make loans, those loans must in the end be repaid by the public—which would be a taxing of the public for the benefit of private individuals."

Further contemporary testimony to the estimation in which the Notes were held may be gleaned from the papers of the time, of which there were three, issued at least once a week. In these occur letters from Publicola, Verax, Vindex, Un ami de son pays, Un Habitant, Campagnard, etc. Some of these were probably inspired, and sometimes they show a partisan bias. The references of most value are the incidental ones occurring in discussions on the improvements or in the criticisms of *ordonnances* on the currency. The coinage at this time was in a confused state, there being both English and French money, some of it of very poor quality, in circulation.

The *Gazette* of 22nd July, 1826, refers to allegations made by the Jersey authorities as a reason for their refusing to register an Act authorising the issue of £5,000 in Notes. The opponents of the measure had alluded to supposed evils arising therefrom in Guernsey. But the *Gazette* emphatically declares that "these Notes have neither directly nor indirectly burdened commerce in any way, nor contributed to the rise in exchange that is experienced."

A letter in the *Gazette* of 25th April, 1829, on the subject of "Monnaie," written at the request of Sir J. Colborne, the Lieutenant-Governor, suggests that people in authority in Jersey interested in Banks oppose State Notes, lest these should be preferred to theirs. The leader of the

same issue of the *Gazette* states that "the generality of the inhabitants have confidence in the States' Notes (it being always understood that the issue of Notes shall be kept within just limits) because they know that the whole property of the island forms the guarantee for their payment."

"Campagnard" in the *Gazette* of 28th February, 1829, suggests the need of some other currency than States' Notes for trade in France or with London and Paris, but feels alarm at anything that might stop the public works in the island.

The difficulty of getting cash for notes is alluded to only when the period of controversy referred to in the next chapter is reached. But for about the first ten years of their issue it would appear that no exception was taken to the notes nor difficulty experienced in their use. External exchange seems to have flourished side by side with this internal currency.

CHAPTER V

FIRST RUMBLINGS OF OPPOSITION

THE feeling in favour of the system was not however entirely unanimous. In 1826 we find the first trace of opposition which gradually grew and grew until, as we shall see later, it was decided in 1837 that the States should not issue any more Notes.

Whether the opposition was entirely due to this financial system as such is open to question. Errors of judgment with reference to the Fountain Street improvement may have been made. Self-interest on the part of some may have been one of the factors. Into these questions the writer cannot enter here. All that he wishes to point out is that it seems to him from studying the records that there were various currents of opposition which centred round the issue of Paper Money by the States.

In September, 1826, three members of the States, Josias le Marchant, James Carey and Jean le Marchant, the two latter being members of the Finance Committee, thought that the King's consent should be obtained for works to be undertaken in Fountain Street. They considered that the anticipations of future revenues were

“not only fatal to their credit but contrary to the order of His Majesty in Council, 19th June, 1819, viz., ‘that the States of the said Island do not exceed in any case the amount of their annual income without the consent previously obtained of His Royal Highness in Council.’ ”

Daniel de Lisle Brock, after consulting La Cour Royale (the Supreme Court of Judicature), writes his views in a *Billet d’Etat*, and summons the States to meet 22nd November, 1826. In his words, which we quote at some length, are seen both his enthusiasm and his caution.

“It was not possible, as every one must admit, to do without anticipations ; but these differ from a debt in that a certain clear and definite income is appropriated for meeting them, at certain fixed times. They are only assignments on assured funds ear-marked for their payment. Watch must be kept, it is true, that they are paid from these same funds. For by letting the period during which they should end pass, and by spending on anything else the income appropriated to them, they would become a permanent debt. The experience of several years has shown us that these assignments may be used without danger, and that they have been fully paid off as they fell due.

“The advantage which has resulted is manifest. If we had had to wait till funds were in hand to set to work at Fountain Street, who could have foreseen when, if ever, this moment would

arrive. Is it nothing, in the midst of this short life, when it is a question of an object of the first necessity among the wants of the community, to have anticipated by sixteen or seventeen years the enjoyment of this object? Doubtless evil is close to good : the abuse of the best things is always possible. Is this a reason for forbidding the use of what is good and profitable? Is it not better to procure it as soon as possible whilst availing ourselves of the means at our disposal to avoid its abuse? Whilst these means are employed, and so long as the income is sufficient, there is only one possible danger—that of allowing the time for meeting these anticipations to pass without paying them, and thus of seeing the debt increased by the amount of the non-cancelled obligations. This danger is seen to vanish when we consider the precaution taken by the States, the watchfulness of all their Members, the Committee which they have appointed specially for this purpose, when we think of the publicity, of the exact acquaintance from year to year which all the inhabitants have of the liabilities, the receipts and expenditure of the States. All this watchfulness and all this publicity are the strongest safeguard that could be given against any danger in this respect."

The Resolution to refer the matter to the King was lost, only five voting for it ; and a resolution was carried expressing confidence in the present method.

In the following year, 1827, the Guernsey Banking Company, now known as the Old Bank, was founded from the firm of Priaulx, Le Marchant, Rougier & Company. Jean le Marchant was Vice-President of this Bank. It is said that at the States Meeting on 15th November, when objections were raised lest the States' Notes should suffer, the Bailiff seemed to foresee no danger. "Good Bills are better than bad coin."

Notwithstanding the decision of the States in 1826, the three Jurats, Josias le Marchant, James Carey and Jean le Marchant were still uneasy, and on 10th April, 1829, complained direct to Whitehall that "the States had exceeded their annual revenues for works of public utility without the express sanction of the superior authority, and had for these same works contracted liabilities which exceeded the means of the States."

The Privy Council on the 19th June forwarded the complaint to the States and asked for an explanation.

The States, at their meeting, 27th August, 1829, instructed a Committee to examine the charges, draw up a report and answer, and submit the same to the States. The Committee selected was the Finance Committee, which was revised at this time, the chief change being the omission of the two complainants, James Carey and Jean le Marchant.

A guess may be hazarded that this Committee

appointed Daniel de Lisle Brock to draft the reply.

This interesting document fortunately exists not only in French but in English (doubtless for the benefit of the Privy Council). In characteristic language, enthusiastic and patriotic, while clear and matter of fact, it sets out the present situation and sketches the history of the Island since the close of the War. The greater part of it appears in the next chapter.

CHAPTER VI

THE REPLY OF THE STATES

WITH a few slight omissions the following is the official translation of "The Answer of the States of Guernsey to the Complaint of three of their Members dated the 10th April, and transmitted by their Lordships's Order of 19th June, 1829.

" My Lords,

Discarding 'from their minds allusions and topics of a personal nature and every sentiment of recrimination, the States of Guernsey are desirous of vindicating themselves in the manner most becoming the respect due to your Lordships, and the consciousness of right, by setting facts against errors, reason against fears, 'honest deeds against faltering words.'

" To judge of the States by any particular act or period would be to dismiss all consideration of previous motives and future benefits, of connecting causes and effects. Comprehensive views of the general policy of the States can alone enable them to prove, and your Lordships to judge, of the wisdom and propriety of their measures. Taking, therefore, a retrospect of the

period which immediately preceded the grant of the duty on Spirituous Liquors first graciously conceded in 1814; they deem it necessary to lay before your Lordships a summary account of the state of this Island, at, and from that period.

“ The steps taken during the war for the prevention of smuggling had deprived this Island of the trade which the supply of that traffic occasioned, and a great portion of the inhabitants of their usual occupation, consisting not in smuggling themselves, but in importing the goods and making the small packages in which those goods were sold in the Island; Privateering, adventurous speculations, and the great expenditure of fleets and garrisons compensated in some measure for the loss of this occupation, but when the war ceased also, a general want of employment and consequent distress ensued.

“ In 1813 the sea which had in former times swallowed up large tracts, threatened from the defective state of its banks to overflow a great extent of land. The sum required to avert the danger was estimated at more than £10,000, which the adjoining parishes subject to this charge were not in a condition to raise. The state of the finance was not more consolatory, with a debt of £19,137, and an annual charge for interest and ordinary expenses of £2,390, the revenue of £3,000 left only £600 for unforeseen expenses and improvements.

“ Thus at the peace, this Island found itself with little or no trade ; little or no disposable revenue ; no attraction for visitors, no inducement for the affluent to continue their abode, and no prospect of employment for the poor. No wonder, therefore, if emigration became the object of the rich in search of those good roads, carriages and other comforts which they could not find at home, and the only resource of the other classes, whose distress was likely to be aggravated by the non-residence of the former. Misery and depopulation appeared inevitable, from the peace to the year 1819 inclusive, more than five hundred native and other British subjects embarked for the United States, and more prepared to follow.

“ It is said, the powers of the human mind in society lie at times torpid for ages ; at others, are roused into action by the urgency of great occasions, and astonish the world by their effects. This has, in some measure, been verified in this Island, for though nothing done in so small a community can cause a general sensation, its exertions may yet produce wonderful results, within its own sphere. It is the duty of the States to show that, roused by the deplorable situation above described, they took, and have since pursued the steps best adapted to meet the exigency of the case, and that those steps have been attended with complete success.

“ To increase the revenue was an indispensable

preliminary, but to do so, no other means lay within the power of the States than a tax on the several parishes according to the rates at which they were respectively assessed, and to this tax there were insuperable objections. . . .

“ Under these circumstances was the application made for the duty on spirituous liquors: and notwithstanding the opposition of many of the inhabitants His Royal Highness the Prince Regent, was graciously pleased by an Order in Council of 23rd July, 1814 to authorise the States to raise 1s. per Gallon on all such liquors consumed in this Island for the term of 5 years. The same duty was renewed for 10 years by virtue of a second Order in Council of 19th June, 1819 after similar opposition. And on the declaration at Your Lordships’ bar of the advocate deputed by the opponents that a clause to the following effect would reconcile them to the measure, and no objection being made to it on the part of the States, these words were inserted in the gracious Order in question: viz.:—‘ That One Thousand Pounds per annum of the produce of the said duty be applied solely to the liquidation of the present debt, together with such surplus as shall remain out of the produce of the tax in any year after defraying the expenses of roads and embankments and unforeseen contingencies. And that the States of the said Island do not exceed in any case the amount of their annual income without the consent previously

obtained of His Royal Highness in Council: and the said States are hereby directed to return annually to the Privy Council an account of the produce and application of the said tax.'

"In 1825 the Lt. Governor Sir John Colborne, and the States, having extended their views to the erection of a new College and other important works which could not be undertaken without the assurance of a renewal of the duty, constituting the chief part of the revenue, a third Order in Council of the 30th September, 1825, conceded to the States the right of levying the same for 15 years, beginning on the 1st September, 1829, and this without the smallest opposition from any of the inhabitants, and without the conditions annexed to the second Order.

"With gratitude for the means placed at their disposal the States feel an honest pride in the recital of the manner in which those means have been applied. First, considering the danger arising from the bad state of the sea embankments, and the hardship of subjecting particular parishes to a charge for the general safety to which they were unequal, the States took on themselves the present repairs, and future maintenance of those embankments. This essential object connected with the paved slips or avenues to the beach, has been attended with an expence of £14,681 19s., without including five or six thousand for a breakwater to defend the line of

houses at Glatney, on the North side of the Town.

“Independently of the sums contributed by Government towards the military roads, from twenty-nine to thirty thousand pounds have been expended by the Island on the roads, so that in lieu of those before described, there are now fifty-one miles of roads of the first class, as good as those of any country, with excellent footways on all of them, and 17 miles of the second class.

“Not only the main Harbour, Piers, Quays, Buoys and Sea Marks have been attended to, and at a great expense, but, in order to facilitate the exportation of the granite from the North of the Island, the Harbour of St. Sampson has been rendered secure and convenient by a new Break-water and Quay.

“The situation and state of the Town were thought to preclude all hopes of much amelioration, but the widening of High Street, and other streets, the reducing the precipitous ascent to the Government and Court House, the clearing away of the unsightly buildings that obstructed the view and approach to those public edifices, the new sewers, pavements, and, above all, the Public Markets and new Fountain Street, attest the solicitude of the States towards the Town, and surprise those who return to it after a few years absence. Add to these the enlarging and improving of the Court House and Record Office, where the public have daily access, and where are kept the contracts and registry of all the real

property (of) the Island. Add also the New College, which, with the laying out of its grounds and the roads round its precincts, contributes to the embellishment of the town, induces families from other places to settle in the Island, on account of their children, and affords to the inhabitants the ready means of a good education.

“The advantage resulting from all these improvements has not been confined to their utility, or to the increased activity given to industry, and the circulation of money by the public expenditure: they have excited in all classes a similar spirit of improvement, which displays itself in the embellishment of the premises already built upon, and above all in the number of handsome dwellings since erected. In the Town parish alone 401 houses have been built since the year 1819 at an expense of upwards of £207,000, and few towns do now present a more animated scenery around them, or one where ornament and comfort are more generally united; the same comfort and improvement are witnessed in every direction, and at the greatest distances from town. And thus it is, that the public works have not only given life and activity to every species of industry by the immediate effects of their utility, as for example to the building of a number of mills in the Island, before supplied with most of its flour from abroad, and now enabled to manufacture it for exportation, but and still more by the consequent impulse communicated on all sides, prompting

the wealthy to lay out for private mansions ✓
greater sums than were expended for public
works and creating a permanent source of
employment, by the future expenses which the ✓
repairs and occupations of those mansions will
require.

“ The extent of benefits conferred is sufficiently attested by the concurrent testimony of inhabitants and strangers. The sole objects of His Majesty and of His Most Honorable Privy Council are the public good and general happiness; the States might therefore, confidently look for indulgence, even if, in promoting those objects, they had fallen into some little deviation from the strict letter of any particular Order. But implicit obedience to the Royal Authority in Council being their paramount duty, they cannot rest satisfied under the imputation of having, even unintentionally, derogated from that duty.

“ The words of the second Order in Council have already been cited. The right of levying the duty on spirituous liquors is granted for ten years : a condition is annexed purporting that the States shall not exceed their annual income, and on the contrary that out of the produce of the duty, one thousand pounds shall be applied annually to the extinction of the debt ; that condition is naturally in force for the same period, and for the same period only, as the grant to which it is annexed ; it is necessarily so limited, because the means by which it is to be fulfilled,

the produce of the duty, ceases at the end of the ten years for which the duty is granted.

“ The States are bound to prove that they have complied with the conditions of that Order ; they did so comply, when wishing to erect a new Market, they applied for and obtained the order of 10th October, 1820, which imposed on them, at their own request, the further obligation of an annual payment of £450 for 10 years ;

This sum began to be paid

in 1822, and has been paid

for 8 years, during which

the obligation amount to £3,600 0 0

The former obligation

amounts, for the 10 years

now elapsed to £10,000 0 0

Total amount of the two

obligations imposed £13,600 0 0

The debt at the com-

mencement of the 10

years elapsed amounted

in rents and money, in-

cluding the cost of the

Market, to £43,668 15 2

The Debt, Rents and Market

included, has been re-

duced to £27,740 0 0

Total amount of the sums

actually applied to the

payment of the Debt £15,928 15 2

“ The conditions of the second Order in Council have thus been more than fulfilled, by the application of £2,328 15s. 2d. to the payment of the debt over and above the obligations imposed. Those conditions, incidentally introduced in the second Order, do not in any way form a part of the third Order now in force.

“ Though released from the positive conditions of the former Order, the States have shown no intention, and do by no means desire to depart from its general spirit ; graciously offered by the third Order in Council to continue their improvements, they came to the following resolution on 22nd November, 1826 : ‘ That far from entertaining any wish of augmenting the Debt the States recognise the principle that it should not exceed, at the end of the 15 years for which the duty is further granted, the sum to which the Debt shall amount at the end of the 10 years present duty : they impose on themselves that obligation anew, and bind themselves by the most solemn engagement not to increase the debt.’

“ What cause of alarm can there then possibly exist? What prospect, on the contrary, the States humbly ask, can be more gratifying than that of remaining with our New College, new Harbours built and to be built, new Markets of every description, new Roads in every direction, new streets, one of thirty feet instead of seven in the greatest thoroughfare between town and country,

in short, with nearly all the greatest improvements that can be desired, paid for to the last shilling; and all this according to the statement of the plaintiffs themselves, with the debt reduced to £15,000, and the revenue augmented £1,700 per annum, by those very improvements.

“ In the Markets and Fountain Street, the States have undertaken works essentially necessary. The cost might be supposed to exceed the means of the States, if credit did not in the first instance furnish the chief expense without the charge of interest, and if the works themselves did not provide for the extinction of the engagements incurred.

“ The views of the States are to render these public improvements a source of future revenue, which shall again afford the means of further and greater improvements.

“ The same plan has been acted upon with success in several places, and particularly at Bath and Liverpool,* to the permanent increase of their revenues, and to the general benefit of those places, and of the country at large. It is difficult indeed to conceive whence can arise the objections to measures, which without laying the least burthen on anyone, surely and quietly operate to the general good, except it be from the disinclinations of most persons to enter into that close examination of figures necessary to a right

* See Appendix.

understanding, and the distrust consequent on the need of that examination and comprehension. In our case, it may be added, that accustomed, on the subject of improvement, to a long apathy confirmed by the state of a revenue inadequate to the least undertaking, works of magnitude when first proposed created the greatest alarm. The new roads were opposed by the far greater number of those who were to derive the most benefit from their use, and who from experience are now clamorous for more. The Market was only voted the third time it was offered to the consideration of the States, although it was represented that independently of its various advantages, it would in a short time permanently add to the revenue. Experience has proved the correctness of that view of the question, and opening the eyes of the public, has turned their sentiments of fear and distrust to one of perfect confidence. Hence it was that the public voice called on the States to realise the benefits likely to result from the substitution of a street thirty feet wide, in lieu of one of seven feet, in the heart, and connecting the two extremities of the Town, and forming the principal avenue from the Country to the Harbour; twenty to thirty carts frequently waited at one end until those from the other had passed. Such a thoroughfare in the most populous quarter could not but be fraught with danger, and the accidents that occurred were numerous, while the closeness of the street, height of the

houses, and filth collected at the back of them were a constant source of nuisance and disease. Never was a measure voted with so much unanimity and general satisfaction as the removal of this public nuisance, and rebuilding Fountain Street, notwithstanding it to be now the ground of the complaint before your Lordships.

“Relatively to so small a section of the Empire, great things have been done with slender means; that so much has been done may with truth be ascribed to the fairness and disinterestedness which have marked every resolution of the States, and its execution; to the vigilant and gratuitous superintendence of their Committees, and to the public spirit of the inhabitants.

“Devoted to the good of His Majesty’s service, and not resting on isolated facts, the States have laid open the whole of their conduct and views, and beg leave to refer to their worthy and highly respected Lieutenant-Governor Major General Ross for the correctness of their statement, and for the situation of the Island. They have the approval of their fellow-subjects and of their conscience, but they would feel deeply humiliated if they did not merit and obtain the commendation of your Lordships.”

The Reply is accompanied by five appendices giving detailed figures to substantiate the argument and point out errors in the figures of the complainants. It is not necessary to weary the

reader with these. Appendix I., however, is interesting, as it shows that more than half the Debt of the States consisted of these Notes on which no Interest was paid.

“ APPENDIX I.

Debt of the States :—

To the Savings Bank at 3 per	
cent. first vote	£10,000
To individuals	557

At 3 per cent. interest	£10,557
In Notes of 20s. each	14,443
135 Quarters 2 Bushels 8	
Denerels, and 18 sous 8 Den-	
iers Rents equal to	2,740
	<hr/>
	£27,740

Deduct from this the balance	
still due by the Market, and	
carried to the joint account	
of the Market and Fountain	
Street	6,100
	<hr/>
	£21,640* ”

The scope of the remaining Appendices is shown by their titles :—

Appendix II. : Plan of Finance adopted by the

* Market.

The cost was	£12,748
Paid off since 1822 . .	6,648
	<hr/>
Balance due on Market .	6,100

States and to be pursued during the fifteen years from this date, ending in 1844 inclusive.

Appendix III. : Remarks on the Statement of account making part of the complaint presented against the States.

Appendix IV. : Joint account of Fountain Street and the Market.

Appendix V. : Amount of the Produce on the Duty of 1s. per Gal. on all spirits consumed in the Island of Guernsey, and the manner in which it has been expended during the Ten years for which the said Duty was granted, beginning September 1st, 1819. In obedience to Order of H.M. in Council of June, 1819.

This reply was very favourably received by the States at their Meeting 23rd December 1829 and adopted almost unanimously. One of the Rectors spoke of it as "most judicious and consolatory, especially considering that room had been given for the exercise of opposite feelings."

The leader writer in the *Gazette* recommended the reply to "the particular attention of every true Guernseyman." Improvements in the Island were due to M. le Bailiff, against whom and whom alone the complaint is directed. "As a wise administrator he has known how to contrive the means of effecting this great good without imposing the least tax or inconveniencing his fellow citizens."

CHAPTER VIII

THE CRISIS

NO trace was found of any reply or acknowledgment by the Privy Council. Presumably they were satisfied with the answer submitted by the States.

But not so the opponents.

In addition to the Old Bank already mentioned, another Bank, the Commercial Bank, had been started in 1830. Both of these appear to have issued notes at their own discretion. Consequently the Island seems to have been flooded with paper money, and an awkward situation had arisen. The Commercial Bank claimed an equal right with the Old Bank and even with the States to issue notes. The Finance Committee, it was stated, had refused to confer with the Commercial Bank. So long as the Banks had a right to issue notes they appear to have had it in their power to put pressure on the States. For they could thus put into circulation a currency beyond that required for the internal needs of the Island.

Daniel de Lisle Brock summoned the States to consider the matter, evidently with the intention of obtaining an injunction against the issue of notes by the Banks.

His message to the States Meeting, held 21st September, 1836, is very spirited and defends the rights of the States as against private individuals, as will be seen from the following lengthy quotation.

“ If there is one incontestable principle it is that all matters relating to the current coin of any country have their source in the supreme prerogative, and that no one has the right to arrogate to himself the power of circulating a private coinage on which he imprints for his own profit an arbitrary value. If this is true for metal coins still more so is it for paper money which in itself has no value whatever.

“ Has not experience shown us the danger of private paper money? Can we have forgotten the disastrous period when payment of one hundred thousand one-pound notes put into circulation by two banks enjoying good credit was suddenly stopped? Have we forgotten the ruin of some, the distress of others, the embarrassment of all? Have we not quite recently seen a bank established by people considered immensely rich, advancing large sums for distilleries, steam boats and other projects, and coming to an end in less than two years with a composition with its creditors who thought themselves lucky to get a few shillings in the pound?

“ With these facts before our eyes we must realise the necessity of limiting the issue of paper money to the needs, the custom, and the benefit

of the community in general. Permission cannot be granted to certain individuals to play with the wealth and prosperity of society, to take from it its hard cash and to give it in exchange rags of paper. What incentive can they offer to persuade the public to give up to them valuable bills for worthless ones, certainty for uncertainty? What advantage can they pretend will accrue to the public from the loss of its currency and the possible depreciation of their paper? These general reflections will find their application. Let no one exclaim against the possibility of the supposed danger. The wealth of the present stockholders of our banks is well known, their names suffice to inspire the greatest confidence; but apart from extraordinary events, the ordinary casualties of life may bring about in a short time the change of all these names, and there may remain in their place only men of straw.

“ The States are met in order to take counsel together on measures for its defence. For an object so important they ought to count on the help of all friends of their country.

“ Speaking of the present banks, and it is necessary to refer to them, no one desires more than I do to see them flourish, provided that it is not at the expense of the public interest. Several of the stockholders seem to rely for success on the issue of paper-money, as if this were the principal aim of the business of banking. This aim,

on the contrary, is quite foreign to real bankers—one finds them in all the great towns of Europe enjoying colossal fortunes—they never dream of paper-money ; their functions are confined to discounting bills, furnishing bills on all countries, taking money on deposit at low interest to lend it again at the legal rate on landed estates, or property of assured value, and to a number of other services required by commerce: each transaction yields a profit which should suffice. A bank of this kind was wanting in the Island. The first of the two existing ones was formed under the most favourable auspices, nothing could exceed its credit: although it issued paper money it did not seem inclined to push this circulation to the point of annoyance to the States. It even made common cause with them when it was a question of replacing the old coins with new, and contributed half the expense. If it had shown itself more obliging and ready at any time to supply bills for those who, money in hand, wanted them to meet engagements in London or Paris, it would have continued the only bank for all business. But as it would not put itself out in any way, the second bank was started by merchants in order to escape from the domination and caprice of the first.

“ The second bank should have kept, and still ought to keep, to the legitimate business of banking transactions. It appeared to have for its principal object the issue of paper money ; even

on its origin it suggested that the States and the two banks should weekly make a mutual exchange of their respective notes, each party paying interest for the balance of notes remaining against it ; in this way all the notes of the States would have found themselves in the coffers of the Banks and paying interest to them. Though this proposition was not accepted, the States were not the less troubled with requests for cash in payment of their notes, and these requests are daily—not only for the ordinary household needs, as might have been expected, but for sending abroad, for if there are drafts to be cashed by the bank for anyone who wishes for money to send to France or to Jersey, the drafts are paid in States Notes, in order that the money shall ultimately come from this last named source. The Bank makes no secret of its pretensions : there are, it says, three parties for issuing paper money ; this issue cannot rise above £90,000 since the circulation in the country does not allow for more, the States ought to have only one-third of the issue, the two banks the two remaining thirds. This is a fine way of making the division, and very convenient certainly for the Commercial Bank. It would even have some show of justice if the parties had equal rights, and if the public had no interest in the matter ; but the rights are not equal—the bank has none to put forward, that of the States is incontestable : they exercise it for the welfare and advantage

of the whole Island which they represent. Consequently the public has the greatest interest in preserving for the States the power of issuing paper-money without interruption. Let the bank reply to the questions already put ; let it say what inducement it can offer the public to drive out of circulation the States Notes, the profit on which benefits all, especially the productive classes, and substitute for it Bank notes, the profit on which benefits only individuals of the unproductive classes? Now is the time to ask the proprietors themselves and ascertain whether in starting a bank they ever had the intention of letting it work to the detriment of their country? The public Treasury is the heart of the State—did they ever wish, do they to-day wish to strike it with a dagger? I know that we live in a financial age, that it is reproached with indifference to every generous sentiment, and that the love of money and the lust for gain absorb all other passions. In spite of that I have not lost all confidence in the patriotism of the members of the bank, they have the greatest personal interest in supporting the States in their efforts for the improvement of their country, efforts which contribute so greatly to the prosperity of internal commerce, to the residence of inhabitants of means, and to the wealth of strangers. Finance is the pivot on which turns the administration of affairs. The least disturbance imposes on me the duty of sounding the alarm and summoning

the States. What I have said will be sufficient, I hope, to persuade the bank to maintain a friendly course. The bank should feel that it is not enough to intend not to injure, but that it is necessary to abandon any step which, even without its wish, would be prejudicial to the interests of the country. It should recognise that, as regards the circulation of paper-money, the States have, for a long time and for the common good, been in possession of the ground which it seems to wish to invade, which, however, it cannot occupy without injustice.

"Every war, it is said, ends where it should have begun—in peace. I am firmly convinced of this truth; and experience has shown me that in civil life as in political, war might almost always be avoided to the great advantage of both parties, and that lawsuits, like wars, have for end rather the injury of the adverse party, than good to oneself. The States are on the defensive, and such war is just and inevitable if any war is. It is, moreover, a war in which all the inhabitants who are the friends of their country will eagerly unite for the defence of the States in their just rights—thus united they will defend them with complete success. For this purpose the States will doubtless appoint a Committee with the fullest powers to propose, in case of need, measures which may ultimately become necessary.

"I do not foresee that the case will require

it, and I should wish to avoid, as far as possible, any foreign intervention—but if the efforts of the States were not sufficient to defend their rights there would be no alternative, they would find themselves obliged to petition His Majesty in Council to consent to restrict the issue of one pound notes, and only to permit the putting into circulation of the number absolutely required by the States. Under the present circumstances this would be an indispensable measure, and it can scarcely be doubted that a humble request to this effect would be graciously received.”

The debate, reported at length in the local papers, was a heated one. It first raged round the third proposition, which appealed in general terms to the islanders to rally round the States. The following is the proposition as translated by the *Comet* of 22nd September, 1836 :—“ That in execution of the numerous ameliorations that have taken place during the last 20 or 30 years, the States having put into circulation about 55,000 One Pound Notes, as a financial measure in favour of the public generally, if they are of opinion to defend the rights of the States against those who wish, for the advantage of a few individuals only, to hinder the circulation of the States Notes, for the purpose of substituting those of private individuals in lieu thereof ; and whether it would not be proper to make an appeal to all the inhabitants, who are the friends of their country, to invite them to afford their

assistance in supporting with all their might the notes belonging to the States."

This was carried by 18 votes to 11. The minority represented chiefly town rather than country parishes, the Jurats being equally divided, and included at least two persons closely connected with the Banks. The victory of States Notes seemed complete, and the fourth Proposition appointing a Committee to give effect to the decision was carried by a large majority. It is as follows :—

" If they are of opinion to name a Committee that shall be authorised in a special manner to defend the rights and interests of the States, and of the public :—to do their utmost by every conciliatory measure in their power, and above all, to agree to an arrangement that shall screen the States from all interruption in the circulation of their Notes, which have been issued for the benefit and advantage of the public, with the design of gradually diminishing the number annually. And in the event of such an arrangement not taking place, to adopt every measure, and make every necessary sacrifice for supporting the circulation of the States Notes. And finally, should the case require it, to propose to the States the adoption of those ulterior measures deemed requisite by the Committee, for the general interests of the island."

The meeting ended with a fine fighting speech from the Bailiff. He reiterated the principle of

the States being the sovereign power in issuing currency, claimed that the Cour Royale had the right of stopping the private issue of notes, and pointed to the example of England, where only £5 notes were permitted in the country, and these under a heavy tax, while only the Bank of England might issue notes in and around London. He showed that it was a choice between notes issued for the benefit of individuals and notes issued for the public good. He defended the improvements carried out by the States, and once again declared that they had been advantageous in giving employment to the poor, security to the rich and encouragement to commerce.

CHAPTER VIII

THE END

ONE can imagine the enthusiasm and the satisfaction with which the majority returned home. One anticipates a triumphant report in the Bailiff's best vein; and expects that the banks will in future have to confine themselves to the operations permitted to English banks, while the States restore equilibrium by causing the withdrawal of superfluous notes and confining future issues, once again entirely in their own hands, to quantities proportioned to the needs of the island.

With surprise, the subsequent proceedings are found to be on quite different lines. Truth is stranger than fiction. The prosaic facts are as follows:—

The Bailiff in presenting his *Billet d'Etat* to the States Meeting, 29th March, 1837, reported on the arrangement made by the Committee with the two Banks. He brought forward no proposition on the matter on which the States should deliberate. He simply states that:—

“After some preliminary conferences the Committee received the following letter:—

' To D. De Lisle Brock, Esq.,
 Bailiff, etc., etc., etc.,
 Guernsey, 8th Oct., 1836.

Sir,

To settle the differences now existing between the States and the Banks, and to promote an amicable adjustment between them, we propose:

That the States should withdraw immediately £15,000 of their Notes, nor have at any time more than £40,000 in circulation, give up all Banking transactions, and cease to collect the notes of the Banks.

In consideration thereof the Banks engage whenever they draw bills either on London or Paris, to take States' Notes for one half at least of their amount and to pass them to the public as their own.

The Banks further engage to supply the States annually with £10,000 in cash, each bank to provide for one half, by payments of £250 at a time, and this free of expence and in exchange for States' Notes.

The above agreement to remain in force until three months notice be given by either party to the others to annul the same.

We remain respectfully, Sir,

Signed for Priaulx, Le Marchant & Co.
 Thomas D. Utermarck,
 Abraham J. Le Mesurier.

For the Commercial Banking Co.,
 H. D. G. Agnew } Managers.
 T. De Putron }

“ And asked M. Le Bailiff to reply as follows :—

‘ Court House, Guernsey,
9 Oct., 1836.

Gentlemen,

The Committee named by the States on the 21st September for the purpose of conferring with the Banks which you represent, on the subject of the one pound notes current in this island, have taken into consideration the proposals which you have transmitted to them, under yesterday’s date, 8th Oct.

The Committee adopt those proposals as the basis of the arrangement so desirable to be entered into, and from this day to be in force between the States and the Banks.—They do so, because the States may at any time, within 3 months, release themselves from the obligations which that arrangement imposes ; and above all, because the sacrifice of pecuniary gain on the part of the States which it may deem to occasion, will be more than compensated by the harmony and good feeling which it will tend to promote among the inhabitants, and which constituting the chief happiness of a well regulated community, can hardly be too highly estimated.

With sentiments of a like friendly nature, sincerely entertained by the Committee towards yourselves, and the rest of their fellow citizens,

I have the honour to be, Gentlemen,

Your obedient humble servant

Daniel De Lisle Brock,
President of the States’ Committee.’

“ In consequence of this arrangement the Committee decided that £10,000 sterling of the total one pound notes in circulation on account of Fountain Street should be withdrawn as a Savings Bank loan at an interest of 3 per cent. per annum. Also that five thousand of those forming part of the old debt, called the Permanent Debt, should be withdrawn to be converted into obligations at 3 per cent. per annum.”

In the discussion at the States Meeting on a proposition to authorise the payment of a sum spent on repairs to the coasts, there were references by three Members of the States to the fact that the expenditure of the States would be increased by having to pay interest on the 15,000 £1 notes withdrawn from circulation.

The same fact is alluded to in a few words by Daniel De Lisle Brock himself in his *Billet d'Etat* to the States, 20th September, 1838. Commenting on the Finance Committee's Report, he tabulates five items of annual loss, among which is found the terse remark, “ The founding of the commercial banks causes an annual loss of £450.”

Although the States thus agreed not to issue any more Notes, to complete the history it should be recorded that these £40,000—to be perfectly accurate the total amount in 1906 was £41,318—are still in circulation in the Island.

CONCLUSION

AS stated in the Introduction, the writer has determined, though somewhat tempted, not to discuss the interesting and debatable points that arise from a consideration of this subject. He is satisfied, for the present, with placing the facts before the public. He leaves those facts for abler minds than his to make such use of as they may desire. Great care has been taken to record only that for which there is chapter and verse.

But he would like, in conclusion, to remark that it seems to him that the States, even to-day, still derive some little benefit from having a portion of their "Debt" on which they pay no interest. This may be gathered from the following table made up from facts taken from the *Billet d'Etat* presented to the States 22nd August, 1906, at which meeting the writer was an interested spectator,

Summary of the indebtedness of the States of Guernsey :—

	Balance 31 Dec., 1905.	Interest paid during 1905.
States General Account Obligations	£ 68,570	£ 1,953 19 3
Special Loan Obligations ...	57,500	2,295 0 0
Notes of 20s. each payable to Bearer	41,318	nil
“ Rentes ” estimated capitalised indebtedness thereon ...	7,059	nil
Departmental borrowings ...	33,000	965 8 0
		Paid by Depts. to General Account.
Total indebtedness... ..	£207,447	—

The circulation of these Notes in the Island to-day is, if nothing more, an interesting relic of an interesting financial policy which certainly was in vogue in Guernsey for over 20 years (1816—1837).

The mystery surrounding the abrupt catastrophe is yet undeciphered and is likely to remain so, as there seems no material from which to glean what took place during those few but momentous days between the 21st September and 9th October. Was there treachery? was it but the inevitable fate of the “best-laid schemes o’ mice and men”? or was it a unique and deplorable economic tragedy?

APPENDIX

WE have not yet discovered anything with reference to a successful plan at Bath to which Danicl de Lisle Brock here alludes (see page 40). We assume the reference to Liverpool is to the fact that during a time of financial panic the Liverpool Corporation was empowered by Statute 33, Geo. III., c. 31 (10th May, 1793), to issue notes of £5, £10, £50 and £100 for value received or other due security.

This Act entitled "An Act to enable the Common Council of the Town of Liverpool in the County of Lancaster on behalf of and on account of the Corporation of the said Town to issue negotiable notes for a limited time and to a limited amount," was passed after the Corporation of Liverpool had failed to obtain a loan of £100,000 from the Bank of England.

The £50 and £100 notes bore interest not exceeding the lawful rate and at 12 months' date. The £5 and £10 notes were payable to bearer on demand without interest. The total issue was at no time to exceed £300,000. Returns had to be forwarded to the House of Commons from time to time. From one of these returns we learn that the notes issued to 28th February, 1795, amounted to £140,390, based on security valued at £155,907 16s. 6d. In a report forwarded 23rd April, 1794, it was stated that £52,985 worth of notes were in circulation at that date.

Great care was taken in the issue of the notes. The Committee of the Corporation that was responsible for the same met daily.

In order to give a wider utility to the notes, London correspondents were appointed and a large number were made payable in London. This made it possible for the Corporation itself to apply to the Committee for a large loan of £50,000.

The security on which advances were made were very various. It included cotton, timber, iron, hops, whale oil, bills of exchange, ships on the stocks and the Alt rates.

For further particulars of this interesting incident, the reader is referred to Sidney and Beatrice Webb's *English Local Government*: "The Manor and the Borough," p. 485, and to E. C. K. Gonner's Article, "Municipal Bank Notes in Liverpool, 1793—95," which appeared in the *Economic Journal*, Vol. VI., 1896, pp. 484—487, to whom the writer is largely indebted for the above facts.

STUDIES IN ECONOMICS AND POLITICAL SCIENCE

*A Series of Monographs by Lecturers and Students
connected with the London School of Economics
and Political Science*

EDITED BY THE
DIRECTOR OF THE LONDON SCHOOL OF
ECONOMICS AND POLITICAL SCIENCE

1. **The History of Local Rates in England.** The substance of five lectures given at the School in November and December, 1896. By EDWIN CANNAN, M.A., LL.D. 1896; 140 pp., Cr. 8vo, cloth, 2s. 6d. *P. S. King & Son.*

2. **Select Documents Illustrating the History of Trade Unionism. I.—THE TAILORING TRADE.** By F. W. GALTON. With a Preface by SIDNEY WEBB, LL.B. 1896; 242 pp., Cr. 8vo, cloth. 5s. *P. S. King & Son.*

3. **German Social Democracy.** Six lectures delivered at the School in February and March, 1896. By the Hon. BERTRAND RUSSELL, B.A., late Fellow of Trinity College, Cambridge. With an Appendix on Social Democracy and the Woman Question in Germany. By ALYS RUSSELL, B.A. 1896; 204 pp., Cr. 8vo, cloth. 3s. 6d. *P. S. King & Son.*

4. **The Referendum in Switzerland.** By M. SIMON DEPLOIGE, University of Louvain. With a letter on the Referendum in Belgium by M. J. VAN DEN HEUVEL, Professor of International Law in the University of Louvain. Translated by C. P. TREVELYAN, M.A., Trinity College, Cambridge, and edited with Notes, Introduction, Bibliography, and Appendices, by LILIAN TOMN (Mrs. Knowles), of Girton College, Cambridge, Research Student at the School. 1898; x. and 334 pp., Cr. 8vo, cloth. 7s. 6d. *P. S. King & Son.*

5. **The Economic Policy of Colbert.** By A. J. SARGENT, M.A., Senior Hulme Exhibitioner, Brasenose College, Oxford; and Whately Prizeman, 1897, Trinity College, Dublin. 1899; viii. and 138 pp., Cr. 8vo, cloth. 2s. 6d. *P. S. King & Son.*

6. Local Variations in Wages. (The Adam Smith Prize, Cambridge University, 1898.) By F. W. LAWRENCE, M.A., Fellow of Trinity College, Cambridge. 1899; viii. and 90 pp., with Index and 18 Maps and Diagrams. Quarto, 11 in. by 8½ in., cloth. 8s. 6d.

Longmans, Green & Co.

7. The Receipt Roll of the Exchequer for Michaelmas Term of the Thirty-first Year of Henry II. (1185). A unique fragment transcribed and edited by the Class in Palæography and Diplomatic, under the supervision of the Lecturer, HUBERT HALL, F.S.A., of H.M. Public Record Office. With thirty-one Facsimile Plates in Collotype and Parallel readings from the contemporary Pipe Roll. 1899; vii. and 37 pp.; Folio, 15½ in. by 11½ in., in green cloth; 5 copies left. Apply to the Director of the London School of Economics.

8. Elements of Statistics. By ARTHUR L. BOWLEY, M.A., F.S.S., Cobden and Adam Smith Prizeman, Cambridge; Guy Silver Medallist of the Royal Statistical Society; Newmarch Lecturer, 1897-98. 1901; *Third edition*, 1907; viii. and 336 pp. Demy 8vo, cloth, 40 Diagrams. 10s. 6d. net.

P. S. King & Son.

9. The Place of Compensation in Temperance Reform. By C. P. SANGER, M.A., late Fellow of Trinity College, Cambridge; Barrister-at-Law. 1901; viii. and 136 pp., Cr. 8vo, cloth. 2s. 6d.

P. S. King & Son.

(Out of print.)

10. A History of Factory Legislation, 1802-1901. By B. L. HUTCHINS and A. HARRISON (Mrs. SPENCER), B.A., D.Sc. (Econ.), London. Second Edition. With a Preface by SIDNEY WEBB, LL.B. 1911; xviii. and 372 pp., Demy 8vo, cloth. 6s. net.

P. S. King & Son.

11. The Pipe Roll of the Exchequer of the See of Winchester for the Fourth Year of the Episcopate of Peter Des Roches (1207). Transcribed and edited from the original Roll in the possession of the Ecclesiastical Commissioners by the Class in Palæography and Diplomatic, under the supervision of the Lecturer, HUBERT HALL, F.S.A., of H.M. Public Record Office. With a Frontispiece giving a Facsimile of the Roll. 1903; xlviii. and 100 pp., Folio, 13½ in. by 8½ in., green cloth. 15s. net.

P. S. King & Son.

12. Self-Government in Canada and How it was Achieved: The Story of Lord Durham's Report. By F. BRADSHAW, M.A., Senior Hulme Exhibitioner, Brasenose College, Oxford. 1903; 414 pp., Demy 8vo, cloth. 3s. 6d. net.

P. S. King & Son.

13. History of the Commercial and Financial Relations Between England and Ireland from the Period of the Restoration. By ALICE EFFIE MURRAY (Mrs. Radice), D.Sc. (Econ.), former Student at Girton College, Cambridge;

Research Student of the London School of Economics and Political Science. 1903; 486 pp., Demy 8vo, cloth. 3s. 6d. net.

P. S. King & Son.

14. The English Peasantry and the Enclosure of Common Fields. By GILBERT SLATER, M.A., St. John's College, Cambridge; D.Sc. (Econ.), London. 1906; 337 pp., Demy 8vo, cloth. 10s. 6d. net.

Constable & Co., Ltd.

15. A History of the English Agricultural Labourer. By DR. W. HASBACH, Professor of Economics in the University of Kiel. With a Preface by Sidney Webb, LL.B. Translated from the Second Edition (1908), by Ruth Kenyon. Cloth, 7s. 6d. net.

P. S. King & Son.

16. A Colonial Autocracy: New South Wales under Governor Macquarie, 1810-1821. By MARION PHILLIPS, B.A., Melbourne, D.Sc. (Econ.), London. 1909; xxiii., 336 pp., Demy 8vo, cloth. 10s. 6d. net.

P. S. King & Son.

17. India and the Tariff Problem. By Professor H. B. LEES SMITH, M.A., M.P. 1909; 120 pp., Crown 8vo, cloth. 3s. 6d. net.

Constable & Co., Ltd.

18. Practical Notes on the Management of Elections. Three Lectures delivered at the School in November, 1909, by ELLIS T. POWELL, LL.B., B.Sc. (Econ.), Fellow of the Royal Historical and Royal Economic Societies, of the Inner Temple, Barrister-at-Law. 1909; 52 pp., 8vo, paper. 1s. 6d. net.

P. S. King & Son.

19. The Political Development of Japan. By G. E. UYEHARA, B.A., Washington, D.Sc. (Econ.) London. 1910 xxiv., 296 pp., Demy 8vo, cloth. 8s. 6d. net.

Constable & Co., Ltd.

20. National and Local Finance. By J. WATSON GRICE, B.Sc. (Econ.), London. With a Preface by Sidney Webb, LL.B. 1910; 428 pp., Demy 8vo, cloth. 10s. 6d. net.

P. S. King & Son.

21. An Example of Communal Currency. By J. THEODORE HARRIS, B.A. With a Preface by Sidney Webb, LL.B. Crown 8vo. 1s. net.

P. S. King & Son.

Series of Bibliographies by Students of the School.

1. A Bibliography of Unemployment and the Unemployed. By F. ISABEL TAYLOR, B.Sc. (Econ.), London. With a Preface by Sidney Webb, LL.B. 1909; xix., 71 pp., Demy 8vo, cloth, 2s. net; paper, 1s. 6d. net.

P. S. King & Son.

Series of Geographical Studies.

1. The Reigate Sheet of the One-inch Ordnance Survey. A Study in the Geography of the Surrey Hills. By ELLEN SMITH. Introduction by H. J. Mackinder, M.A., M.P. 1910; xix., 110 pp., 6 maps, 23 illustrations, Crown 8vo, cloth. 3s. 6d. net.

A. & C. Black.

100 YEARS AGO

Guernsey Experimented Successfully with Communal Currency,

TO-DAY

The Co-operative Brotherhood Trust, Ltd.,

is Experimenting with
Co-operative Currency.

It has a small circle of Manufacturers, Merchants and Private Individuals using and circulating its currency. If you believe in its practicability, join it and help to ensure its success. If you want to know more about it, write for full information to—

THE SECRETARY,

37, NEWINGTON GREEN ROAD, LONDON, N.

WORKS BY HENRY W. WOLFF

Co-operative Banking

**Its Principles and its Practice, with a
Chapter on Co-operative Mortgage Credit**

Demy 8vo, Cloth, 7s. 6d. net

“Mr. Wolff is the author of a successful work.”—*Times*.

A Co-operative Credit Handbook

Demy 8vo, 96 pages. 1s. net.

CONTENTS—Preface, General Remarks, Banks based upon Shares (Limited Liability Societies), Model Rules for such (with Annotations), Village Banks (Unlimited Liability Societies), Model Rules for such (with Annotations). Appendix: Form of Application, Forms of Bond for Borrower, Form of Fortnightly Balance Sheet, Model Cash Book.

Co-operative Credit Banks

**A Help for the Labouring and Cultivating
Classes. 6d.**

Village Banks

**How to Start Them—How to Work Them—
What the Rich may do to Help Them. etc. 6d.**

**LONDON: P. S. KING & SON
ORCHARD HOUSE, WESTMINSTER**

THIS BOOK IS DUE ON THE LAST DATE
STAMPED BELOW

AN INITIAL FINE OF 25 CENTS
WILL BE ASSESSED FOR FAILURE TO RETURN
THIS BOOK ON THE DATE DUE. THE PENALTY
WILL INCREASE TO 50 CENTS ON THE FOURTH
DAY AND TO \$1.00 ON THE SEVENTH DAY
OVERDUE.

DEC 16 1932

15 Jun 52 BS

JUN 19 1952 LIT

24 Sep '52 CR

SEP 29 1952 LIT

PAL. JAN. 21, 1908

YB 18182

307576

HG 350

.G3H3

UNIVERSITY OF CALIFORNIA LIBRARY

